

Inquiring Minds Topic for 31 January 2014

Maurice Ernst — Moderator

Maurice Ernst writes: Most people agree that poverty is far too prevalent in the US, but disagree about its causes and on what should be done to reduce it. The first of the articles, below, by Paul Krugman, lays out the rationale for “liberal” government programs. The second article, by David Brooks, finds growing support among main line Republicans for “conservative” government programs also aimed at poverty reduction.

What do you think should be done?

Is there enough common ground to allow progress in reducing poverty?

The War Over Poverty

JAN. 9, 2014 - The New York Times – Paul Krugman

Fifty years have passed since Lyndon Johnson declared war on poverty. And a funny thing happened on the way to this anniversary. Suddenly, or so it seems, progressives have stopped apologizing for their efforts on behalf of the poor, and have started trumpeting them instead. And conservatives find themselves on the defensive.

It wasn't supposed to be this way. For a long time, everyone knew — or, more accurately, “knew” — that the war on poverty had been an abject failure. And they knew why: It was the fault of the poor themselves. But what everyone knew wasn't true, and the public seems to have caught on.

The narrative went like this: Antipoverty programs hadn't actually reduced poverty, because poverty in America was basically a social problem — a problem of broken families, crime and a culture of dependence that was only reinforced by government aid. And because this narrative was so widely accepted, bashing the poor was good politics, enthusiastically embraced by Republicans and some Democrats, too.

Yet this view of poverty, which may have had some truth to it in the 1970s, bears no resemblance to anything that has happened since.

For one thing, the war on poverty has, in fact, achieved quite a lot. It's true that the standard measure of poverty hasn't fallen much. But this measure doesn't include the value of crucial public programs like food stamps and the earned-income tax credit. Once these programs are taken into account, the data show a significant decline in poverty, and a much larger decline in extreme poverty. Other evidence also points to a big improvement in the lives of America's poor: lower-income Americans are much healthier and better-nourished than they were in the 1960s.

Furthermore, there is strong evidence that antipoverty programs have long-term benefits, both to their recipients and to the nation as a whole. For example, children who had access to food stamps were healthier and had higher incomes in later life than people who didn't.

And if progress against poverty has nonetheless been disappointingly slow — which it has — blame rests not with the poor but with a changing labor market, one that no longer offers good wages to ordinary workers. Wages used to rise along with worker productivity, but that linkage ended around 1980. The bottom third of the American work force has seen little or no rise in inflation-adjusted wages since the early 1970s; the bottom third of male workers has experienced a sharp wage decline. This wage stagnation, not social decay, is the reason poverty has proved so hard to eradicate.

Or to put it a different way, the problem of poverty has become part of the broader problem of rising income inequality, of an economy in which all the fruits of growth seem to go to a small elite, leaving everyone else behind.

So how should we respond to this reality?

The conservative position, essentially, is that we shouldn't respond. Conservatives are committed to the view that government is always the problem, never the solution; they treat every beneficiary of a safety-net program as if he or she were "a Cadillac-driving welfare queen." And why not? After all, for decades their position was a political winner, because middle-class Americans saw "welfare" as something that Those People got but they didn't.

But that was then. At this point, the rise of the 1 percent at the expense of everyone else is so obvious that it's no longer possible to shut down any discussion of rising inequality with cries of "class warfare." Meanwhile, hard times have forced many more Americans to turn to safety-net programs. And as conservatives have responded by defining an ever-growing fraction of the population as morally unworthy "takers" — a quarter, a third, 47 percent, whatever — they have made themselves look callous and meanspirited.

You can see the new political dynamics at work in the fight over aid to the unemployed. Republicans are still opposed to extended benefits, despite high long-term unemployment. But they have, revealingly, changed their arguments. Suddenly, it's not about forcing those lazy bums to find jobs; it's about fiscal responsibility. And nobody believes a word of it.

Meanwhile, progressives are on offense. They have decided that inequality is a winning political issue. They see war-on-poverty programs like food stamps, Medicaid, and the earned-income tax credit as success stories, initiatives that have helped Americans in need — especially during the slump since 2007 — and should be expanded. And if these programs enroll a growing number of Americans, rather than being narrowly targeted on the poor, so what?

So guess what: On its 50th birthday, the war on poverty no longer looks like a failure. It looks, instead, like a template for a rising, increasingly confident progressive movement.

A version of this op-ed appears in print on January 10, 2014, on page A23 of the New York edition with the headline: The War Over Poverty.

Movement on the Right

JAN. 9, 2014 – The New York Times – David Brooks

If you just listened to Republican politicians, you'd have almost no sense that conservative thinking has changed much since Barack Obama beat Mitt Romney over a year ago. But if you hang around the conservative policy wonks, and read certain conservative magazines, the picture is quite different.

I'd invite you, for example, to cast your eye over the new issue of *National Affairs*, the right-leaning policy journal edited by Yuval Levin. You'll find nine different articles that hang together coherently around what could well be the dominant style of conservatism of the coming years. This is the conservatism of skeptical reform.

This conservatism is oriented, first, around social problems, not government. For many years, conservatives spoke as if runaway government was the only major threat facing the country. Defining themselves against government, Republican politicians had no governing agenda for people facing concrete needs.

But the emerging conservatives begin their analysis by looking at concrete problems: how to help the unemployed move to where they can find jobs; how to help gifted students from poor families reach their potential. If you start by looking at these specific matters, then even conservatives conclude that, in properly limited ways, government can be a useful tool. Government is not the only solution, but it is also not the only problem.

In the lead essay of the issue, Michael R. Strain looks at broken labor markets. Strain embraces some traditional conservative ideas, like streamlining regulations, but also some ideas that use government power: public investments in infrastructure, more aggressive monetary policy, wage subsidies, cash bonuses for people who get off unemployment insurance and find jobs, relocation subsidies to help the unemployed move.

Second, this conservatism is populist about ends but not means. Over the past decade, many Republican politicians have spread the message that the country's problems would be easily solved if only the nefarious elites would get out of the way and allow the common people to take over. Members of this conservatism are more likely to conclude that, in fact, problems are complex and there are no easy answers, but there is room for policy expertise, and perhaps philosophical rigor, even if it comes from Washington.

But these experts should focus on specific needs and desires of working-class Americans, not gripes and obsessions of the Republican donor community. "Modern conservatives have tended to discount the moral value of the average person, focusing instead on extolling the moral superiority of the great." Henry Olsen of the Ethics and Public Policy Center writes. "How many times in recent years have conservative leaders told us about the virtuous entrepreneur?"

Third, this conservatism supports effective government, not technocratic government. Like all proper conservatism, it begins with a sense of epistemological modesty, a sense that the world is too complicated to be centrally planned. Therefore, it opposes the style of government embodied in Obamacare, where officials in the center define insurance products and then compel people to buy them.

This conservatism knows that central decision-makers, even conservative ones, are no match for complex reality. Therefore, they favor market mechanisms, which take advantage of dispersed knowledge. They prefer simple programs to complex ones. In National Affairs, Eli Lehrer and Lori Sanders argue that a carefully structured income support grant could replace the morass of existing welfare programs for the poor.

Fourth, this conservatism is skeptical in temper, especially about itself. Recently, conservatives have been filled with fervor and conviction, and regarded compromise as selling out. Some recent conservatives have ideologized the Constitution, turning it into a rigid system that answers every political question for us. But the founders constructed a constitutional order that left room for different policy approaches; that was humble before the evolving needs of the future; and that required compromise and coalition building. The founders did not believe in concentrating power in the hands of any group of highly fallible individuals.

Today's emerging conservatives embrace that constitutional mind-set, embodied both by Madison and Hamilton. Moreover, the National Affairs authors understand that most policy programs, like most businesses, fail. Conservative programs like urban enterprise zones failed to produce measurable results. Liberal programs like Head Start scarcely produce identifiable long-term gains. Therefore, it is best to approach government in a mood of skeptical reformism: Engage in a constant process of gradual concrete reform even as you are aware that most of your efforts will not pan out.

The Republican style of recent years has produced a vacuum where concrete proposals should be. The emerging conservatives won't have to argue with or defeat the more populist factions on the right; they can just fill the vacuum. Republican politicians, when they are asked to come up with specific programs, will find there is no other game in town.

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Maurice Ernst also recommends reading these articles:

<http://www.nytimes.com/2014/01/24/opinion/brooks-it-takes-a-generation.html>

<http://www.nytimes.com/2014/01/24/opinion/krugman-the-populist-imperative.html>